and others from whom we have to ask, all that we have done seems, even if they know it, to be ignored by them. Such a strong partisan of ours as Higginson, the head of Lee, Higginson, the great bankers of Boston, had no idea that we had advanced £1,000,000,000 to *ke Allies and that without prescription that they were to spend the money in England.

Mr. McAdoo and subsequently Colonel House plainly told us that they insist on knowing whether or not the supplies for which we are asking are of *Suspicions of* str*ct m&tary necessity. The question *ulterior pur-* has been put to Tardieu, the French *poses behind* Commissioner and myself—c Can you loans assure us that steel plates for England, wheat for France, coal for Italy, locomotives and railway material for Russia are essential to winning the War ? If so, what authority have you for saying so ? We cannot go to Congress and ask for money unless we are able to assure them that every dollar is being spent for victory/ There is a general suspicion that much of the huge Russian locomotive and general railway order is in the nature of a 6 job* to put the Russian railways in order after the War.

Tardieu and I have had two long conferences on the subject and a further conference with Bakhnetieff, the Russian. Tardieu, as a Frenchman, is in a far better position to

obtain money than are the English, but he sees the coming danger.

Horror at huge scale of expenditure ^j^ Americans are not accustomed to our huge financial operations and it will be a very long time before they are. They regard the appropriation